

MIAMI-DADE TRANSIT  
DISADVANTAGED BUSINESS ENTERPRISE GOAL METHODOLOGY FOR  
FISCAL YEARS 2011, 2012 and 2013

**SUMMARY**

Please be advised that pursuant to §26.45 of 49 Code of Federal Regulations (CFR) Part 26, Miami-Dade Transit (MDT) submits this methodology to the Federal Transit Administration (FTA) for review and approval of its overall Disadvantaged Business Enterprise (DBE) goal for Fiscal Years 2011, 2012, and 2013. MDT has established a proposed overall DBE goal of **21.5%**, which includes an adjustment for race-neutral measures.

**DETERMINATION OF NORMAL MARKET AREA**

The implementation of the Unified Certification Program and the current condition of our market area, which is primarily Miami Dade County, were key variants that affected the goal methodology calculation formula. The overall goal was derived by following methodologies described in 49 CFR Part 26.45, which requires that recipients of FTA funds utilize a two-step process in the development of its DBE goal, and using the best universally available current data on both the presence of DBE's and the presence of all businesses in our normal Market Area.

The following is a summary of the method MDT used to calculate this goal.

**STEP ONE: ESTABLISHMENT OF AVAILABILITY ESTIMATE FOR A BASE FIGURE**

Pursuant to 49 CFR 26.45(c) (1), to arrive at the Base Figure, MDT elected to use the "weighing method" by groups of NAICS codes (see attached) to determine the relative availability of DBE's in various fields. Additionally, we examined our contracting program to determine the subcategories, in which we use the majority of our contracts and subcontracts, and established that the majority of our contractors are drawn from Miami Dade County. Finally, we divided the total number of DBE firms in the respective NAICS codes in our DBE Directory that were deemed ready, willing and able, by the total number of firms obtained from the Unified Certification Program, with emphasis in Miami-Dade County, that provide services under the same NAICS codes. As a result, the **Base Figure** for MDT is 19.5%.

$$\text{Base Figure} = 702 \div 3588 = 19$$

**STEP TWO: ADJUSTMENT OF BASE FIGURE**

To adjust the Base Figure in Step One, MDT considered the current capacity of DBEs to perform work in its DOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years, as illustrated below:

**(a) PAST DBE PARTICIPATION**

<b>FISCAL YEAR</b>	<b>TOTAL DBE CONTRACTS</b>	<b>TOTAL ASSISTED CONTRACTS</b>	<b>FTA-ACTUAL DBE PARTICIPATION</b>
2005	\$5,657,302	\$25,241,313	22%
2006	\$12,473,403	\$34,089,935	35%
2007	\$6,161,950	\$27,656,392	23%
2008	\$5,012,543	\$23,013,593	22%
2009	\$881,856	\$7,406,802	12%
2010	\$265,737	\$1,346,766	19.7%
<b>Actual Median Past Participation</b>			<b>22%</b>

**(b) ARRIVING AT THE MEDIAN PAST PARTICIPATION:**

MDT arrived at the median by arranging the percentages of past participation above from low to high, such as: 12%, 19.7%, 22%, 22%, 23% and 35%, and after excluding all outliers such as 12%, 19.7%, 23% and 35%, we added together 22% and 22% and divided their sum by 2 to obtain the following:

$$\frac{22 + 22}{2} = 22\%$$

**(c) ADJUSTING STEP ONE BASE FIGURE:**

MDT added Step One Base Figure to the median and divided their sum by two (2), as illustrated in the calculation below and resulting in the **overall goal**:

$$\frac{19\% + 22\%}{2} = 20.5\%$$

**RACE-NEUTRAL PROJECTION:**

In an effort to increase accuracy and avoid overestimating past race-neutral participation, MDT's race-neutral percentage consists of only prime and sub-contracts awarded to DBEs through customary competitive processes that are based only on qualifications and without contract specific goals. As a result, the most refined and reliable data are used in FY 2011, 2012, and 2013

Page 3

our projected race-neutral percentage for fiscal years 2011, 2012 and 2013 and comes from last year's participation only.

#### **PAST RACE-NEUTRAL PARTICIPATION**

<b>FISCAL YEAR</b>	<b>TOTAL DBE RACE NEUTRAL DOLLARS</b>	<b>TOTAL DOLLARS EXPENDED</b>	<b>ACTUAL DBE PAST PARTICIPATION</b>
2010	\$118,235	\$1,346,766	1%

In light of the low projected race neutral percentage, and consistent with our continued effort to meet the maximum feasible portion of the overall goal by using race neutral measures of facilitating DBE participation, MDT has continued to engage in aggressive outreach efforts and business development, such as providing technical assistance, capital and bonding assistance to DBEs and other disadvantaged small firms. Among other means, MDT encourages prime contractors to disseminate subcontract information in geographical areas that have been perennially neglected. Also, our solicitations are structured in such a manner as to facilitate participation by all small minority firms, by inclusion of known DBE's on our mailing list and providing our DBE directory listing to those present at pre-bid conferences and publishing the same on the Miami-Dade County internet web portal; <http://www.miamidade.gov/transit/>.

#### **PROCESS AND PUBLICATION**

MDT recognizes the importance of public participation in the establishment of the DBE Goal. The DBE goal was published and made available for inspection during the normal business hours for the specified timeframe as stated in the 49 CFR Part 26. MDT maintains a relationship and consults with local chambers of commerce, local minority and general contractor groups to obtain input, comments, suggestions and feedback on the effects of discrimination on opportunities for DBE's. Further, MDT published a notice of the proposed overall goal, and informed the public at large that the proposed goal and its rationale was available for inspection at its offices. The same information was also available on the County website and local area general publications.